

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO. 0590-02
BILL NO. Truly Agreed to and Finally Passed HCS for HB 207
SUBJECT: Capital Improvements; Veterans; Gambling
TYPE: Original
DATE: May 7, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue	\$3,000,000	\$0	\$0
Veterans' Capital Improvement Trust Fund*	(\$13,000,000) to (\$13,750,000)	\$0 to (\$750,000)	\$0 to (\$750,000)
Total Estimated Net Effect on <u>All</u> State Funds *	(\$10,000,00) to (\$10,750,000)	\$0 to (\$750,000)	\$0 to (\$750,000)

* Subject to Appropriation

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None			
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government*	\$10,000,000	\$0	\$0

* Subject to Appropriation

Numbers within parentheses: () indicate costs or losses
This fiscal note contains 5 pages.

FISCAL ANALYSIS

ASSUMPTION

Grants for veterans service officer programs;

Officials from the **Department of Elementary and Secondary Education**, the **Missouri National Guard** and the **Missouri Gaming Commission** assume the proposed legislation would have no fiscal impact on their agencies.

Officials from the **Department of Social Services (DOS)** stated that the proposed legislation expands the projects that can be funded from the Veterans' Commission Capital Improvement Trust Fund to include veterans service officer programs, but does not change the share of money going to the Early Childhood Development, Education, and Care Fund. Therefore, DOS assumes there will be no fiscal impact to their agency.

Officials from the **Missouri Veterans' Commission (VET)** assume this proposal will have a impact of (\$750,000) to the Veterans' Commission Capital Improvements Trust Fund in each fiscal year, starting with FY 2002.

Oversight assumes with the emergency clause, the effective date of this proposal would be in FY 2001, therefore the first grants could be issued in July, 2001, which is fiscal year 2002. Oversight also assumes a portion of the veterans' commission capital improvements trust fund's annual \$3 million allotment of gaming revenues shall be earmarked for grants to federally-chartered veterans' organizations. Oversight has ranged the fiscal impact of this proposal from \$0 to (\$750,000) depending on the number of grants issued. Oversight also assumes the Veterans' Commission can process the applications for grants with existing resources.

Veterans' Medallions, Medals and Certificates of Appreciation;

Officials from the **Missouri Veterans' Commission (VET)** assume this part of the proposal would result in a cost to the Veterans' Capital Improvement Trust Fund of \$3 million in FY 2002.

Officials from the **Missouri National Guard (MNG)** assume this part of the proposal would provide funding for issuing the medals, medallions, and certificates that were authorized in SB 961 last year. The MNG estimated a one-time expense of \$3 million for this purpose.

ASSUMPTION (continued)

In the fiscal note prepared to SB 961 last session, **Oversight** assumed the funding to purchase the medals, medallions and certificates would come from the General Revenue Fund. Oversight assumes the \$3,000,000 estimate provided by the Missouri National Guard and the Missouri Veterans' Commission is a revised estimate, and has reflected it as a reduction to the Veterans' Commission Capital Improvement Trust Fund, subject to appropriation, and has shown a savings to General Revenue to offset the fiscal note prepared for SB 961 last session.

Liberty Memorial;

Officials from the **Missouri Veterans' Commission (VET)** assume this part of the proposal would result in a cost to the Veterans' Capital Improvement Trust Fund of \$10 million in FY 2002, subject to appropriation.

Donation of motor vehicles to assist military veterans;

Officials from the **Missouri Veterans' Commission (VET)** assume this part of the proposal would not fiscally impact their agency. It may streamline the donation or turnaround of donated vehicles to the VET, but it would have no measurable fiscal impact.

Officials from the **Office of Administration** assume this proposal would not fiscally impact their agency.

<u>FISCAL IMPACT - State Government</u>	FY 2002	FY 2003	FY 2004
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GENERAL REVENUE FUND

<u>Savings</u> - Cost of medals, medallions and certificates to be paid from VCCITF	<u>\$3,000,000</u>	<u>\$0</u>	<u>\$0</u>
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VETERANS' COMMISSION CAPITAL IMPROVEMENTS TRUST FUND

<u>Costs</u> - Grants to veterans' organizations*	\$0 to (\$750,000)	\$0 to (\$750,000)	\$0 to (\$750,000)
<u>FISCAL IMPACT - State Government</u>	FY 2002	FY 2003	FY 2004

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<u>Costs</u> - Medals, Medallions, and Certificates of Appreciation*	(\$3,000,000)	\$0	\$0
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<u>Transfers Out</u> - Liberty Memorial*	(\$10,000,000)	\$0	\$0
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ESTIMATED NET EFFECT TO THE VETERANS' COMMISSION CAPITAL (\$13,000,000) to IMPROVEMENTS TRUST FUND*	<u>(\$13,750,000)</u>	<u>\$0 to (\$750,000)</u>	<u>\$0 to (\$750,000)</u>
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*** Subject to Appropriation**

<u>FISCAL IMPACT - Local Government</u>	FY 2002	FY 2003	FY 2004
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CITY OF KANSAS CITY

<u>Transfers In</u> - Liberty Memorial*	<u>\$10,000,000</u>	<u>\$0</u>	<u>\$0</u>
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*** Subject to Appropriation**

FISCAL IMPACT - Small Business

No direct fiscal impact on small businesses would be expected due to this proposal.

DESCRIPTION

This proposal allocates a portion of the Veterans' Commission Capital Improvements Trust Fund for the issuance of \$750,000 annually in matching fund grants for veterans service officer programs. The funds may be issued to any municipal government agency or federally-chartered veterans' organization that is certified by the Veterans Administration to process claims within the administration system. Any organization receiving funds must have maintained a veterans service officer presence within the state for 3 years preceding the issuance of grants. The Missouri Veterans Commission must provide applications, establish grant requirements, and approve all grants. The grants will be made available annually and issued in July of each year.

DESCRIPTION (continued)

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This proposal also allocates, upon apportionment, a portion of the Veterans' Commission Capital Improvements Trust Fund for payment of Missouri National Guard and Missouri Veterans' Commission expenses associated with providing medals, medallions and certificates in recognition of service in the armed forces of the United States during World War II.

This proposal also transfers, upon apportionment, \$10 million of the Veterans' Commission Capital Improvements Trust Fund to the City of Kansas City to help fund the Liberty Memorial project.

This proposal also allows the Commissioner of Administration to return the title of a vehicle donated to assist military veterans back to the original donor, if that donor intends to donate to the state a newer or superior motor vehicle of the same type to replace the function of the old motor vehicle.

This proposal has an emergency clause.

This legislation is not federally mandated, would not duplicate any other program, and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Public Safety
Veterans' Commission
Missouri National Guard
Department of Elementary and Secondary Education
Department of Social Services
Missouri Gaming Commission
Office of Administration



Jeanne Jarrett, CPA
Director

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